

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

5. Lease Serial No.

UTU-71417

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.

BITTER CREEK 1122-4A

9. API Well No.

43-047-3711

10. Field and Pool, or Exploratory

Bitter Creek 547

11. Sec., T., R., M., or Blk. and Survey or Area

SEC 4-T11S-R22E

12. County or Parish

UINTAH

13. State

UT

1a. Type of Work: ☒ DRILL

☐ REENTER

b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other

☐ Single Zone

☒ Multiple Zone

2. Name of Operator

WESTPORT OIL & GAS COMPANY, L.P.

3A. Address

1368 SOUTH 1200 EAST, VERNAL, UTAH 84078

3b. Phone No. (include area code)

(435) 781-7060

4. Location of Well (Report location clearly and in accordance with any State requirements.)\*

At surface NENE 1167' FNL 860' FEL LOT 8

632266X 39.894960

At proposed prod. Zone

44170354 109.452932

14. Distance in miles and direction from nearest town or post office\*

24.75 MILES SOUTHEAST OF OURAY, UTAH

15. Distance from proposed\* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)

860'

16. No. of Acres in lease

1520

17. Spacing Unit dedicated to this well

40

18. Distance from proposed\* location to nearest well, drilling, completed, applied for, on this lease, ft.

REFER TO  
TOPO C

19. Proposed Depth

8500'

20. BLM/BIA Bond No. on file

CO-1203

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

5615.5' GL

22. Approximate date work will start\*

UPON APPROVAL

23. Estimated duration

TO BE DETERMINED

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office.

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).

5. Operator certification.

6. Such other site specific information and/or plans as may be required by the authorized office.

25. Signature

Name (Printed/Typed)

DEBRA DOMENICI

Date

9/1/2005

Title

ASSOCIATE ENVIRONMENTAL ANALYST

Approved by Signature

Name (Printed/Typed)

BRADLEY G. HILL

Date

09-08-05

Title

ENVIRONMENTAL SCIENTIST III

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on reverse)

RECEIVED

SEP 06 2005

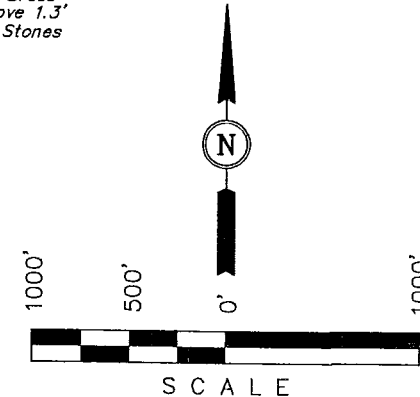
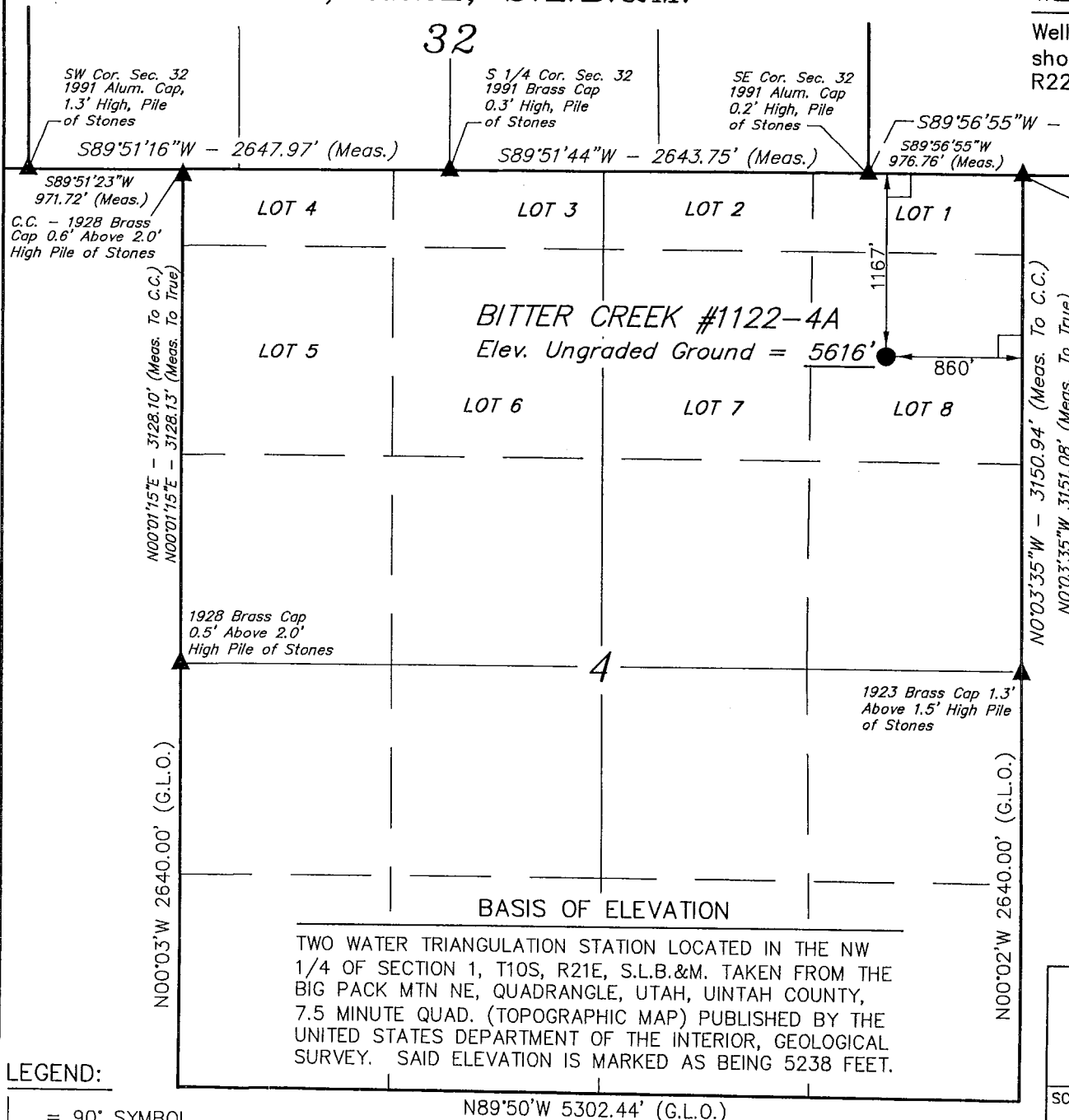
Federal Approval of this  
Action is Necessary

DIV. OF OIL, GAS & MINING

T11S, R22E, S.L.B.&M.

WESTPORT OIL AND GAS COMPANY, L.P.

Well location, BITTER CREEK #1122-4A, located as shown in the NE 1/4 NE 1/4 of Section 4, T11S, R22E, S.L.B.&M. Uintah County, Utah.



(NAD 83)  
LATITUDE = 39°53'41.97" (39.894992)  
LONGITUDE = 109°27'13.16" (109.453656)

(NAD 27)  
LATITUDE = 39°53'42.09" (39.895025)  
LONGITUDE = 109°27'10.70" (109.452972)

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

*John L. Hays*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING  
85 SOUTH 200 EAST - VERNAL, UTAH 84078  
(435) 789-1017

LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

BITTER CREEK 1122-4A  
NENE SEC 4-T11S-R22E LOT 8  
UINTAH COUNTY, UTAH  
UTU-71417

ONSHORE ORDER NO. 1

***DRILLING PROGRAM***

1. **Estimated Tops of Important Geologic Markers:**

| <u>Formation</u> | <u>Depth</u> |
|------------------|--------------|
| Uinta            | 0- Surface   |
| Green River      | 980'         |
| Wasatch          | 3950'        |
| Mesaverde        | 6300'        |
| TD               | 8500'        |

2. **Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

| <u>Substance</u> | <u>Formation</u> | <u>Depth</u> |
|------------------|------------------|--------------|
|                  | Green River      | 980'         |
| Gas              | Wasatch          | 3950'        |
| Gas              | Mesaverde        | 6300'        |
| Water            | N/A              |              |
| Other Minerals   | N/A              |              |

3. **Pressure Control Equipment** (Schematic Attached)

*Please refer to the attached Drilling Program.*

4. **Proposed Casing & Cementing Program:**

*Please refer to the attached Drilling Program.*

5. **Drilling Fluids Program:**

*Please refer to the attached Drilling Program.*

6. **Evaluation Program:**

*Please refer to the attached Drilling Program.*

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 8500' TD, approximately equals 3400 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1530 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

*Drilling is planned to commence immediately upon approval of this application.*

9. **Variances:**

*Please refer to the attached Drilling Program.*

10. **Other Information:**

*Please refer to the attached Drilling Program.*



  
**Westport Oil and Gas Company, L.P.**  
**DRILLING PROGRAM**

**CASING PROGRAM**

|            | DESIGN FACTORS |           |       |              |       |           |         |
|------------|----------------|-----------|-------|--------------|-------|-----------|---------|
|            | SIZE           | INTERVAL  | WT.   | GR.          | CPLG. | BURST     | TENSION |
| CONDUCTOR  | 14"            | 0-40'     |       |              |       | 2270      | 1370    |
| SURFACE    | 9-5/8"         | 0 to 1800 | 32.30 | H-40         | STC   | 0.82***** | 1.76    |
| PRODUCTION | 4-1/2"         | 0 to 8500 | 11.60 | M-80 or I-80 | LTC   | 2.81      | 1.37    |

- 1) Max Anticipated Surf. Press. (MASP) (Surface Casing) = (Pore Pressure at next csg point - (0.22 psi/ft - partial evac gradient x TVD of next csg point))  
 2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft - partial evac gradient x TD)  
 (Burst Assumptions: TD = 10.5 ppg) .22 psi/ft = gradient for partially evac wellbore  
 (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing \* Buoy. Fact. of water)  
 MASP 2771 psi

\*\*\*\*\* Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft.

**CEMENT PROGRAM**

|            |                 | FT. OF FILL | DESCRIPTION  | SACKS   | EXCESS | WEIGHT | YIELD |
|------------|-----------------|-------------|--|---------|--------|--------|-------|
| SURFACE    | LEAD            | 500         | Premium cmt + 2% CaCl + .25 pps flocele  | 215     | 60%    | 15.60  | 1.18  |
| Option 1   | TOP OUT CMT (1) | 200         | 20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele  | 50      |        | 15.60  | 1.18  |
|            | TOP OUT CMT (2) | as required | Premium cmt + 2% CaCl  | as req. |        | 15.60  | 1.18  |
| SURFACE    | LEAD            | 1500        | NOTE: If well will circulate water to surface, option 2 will be utilized<br>Prem cmt + 16% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOC | 170     | 35%    | 11.00  | 3.82  |
| Option 2   | TAIL            | 500         | Premium cmt + 2% CaCl + .25 pps flocele  | 180     | 35%    | 15.60  | 1.18  |
|            | TOP OUT CMT     | as required | Premium cmt + 2% CaCl  | as req. |        | 15.60  | 1.18  |
| PRODUCTION | LEAD            | 3,450'      | Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender   | 360     | 60%    | 11.00  | 3.38  |
|            | TAIL            | 5,050'      | 50/50 Poz/G + 10% salt + 2% gel  | 1410    | 60%    | 14.30  | 1.31  |

\*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

\*Substitute caliper hole volume plus 15% excess for TAIL if accurate caliper is obtained

**FLOAT EQUIPMENT & CENTRALIZERS**

|            |   |
|------------|---|
| SURFACE    | Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.                   |
| PRODUCTION | Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers. |

**ADDITIONAL INFORMATION**

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 3M with one annular and 2 rams. Test to 3,000 psi (annular to 1,500 psi) prior to drilling out. Record on chart recorder &

tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Tolco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

DRILLING ENGINEER:

Brad Laney

DATE:

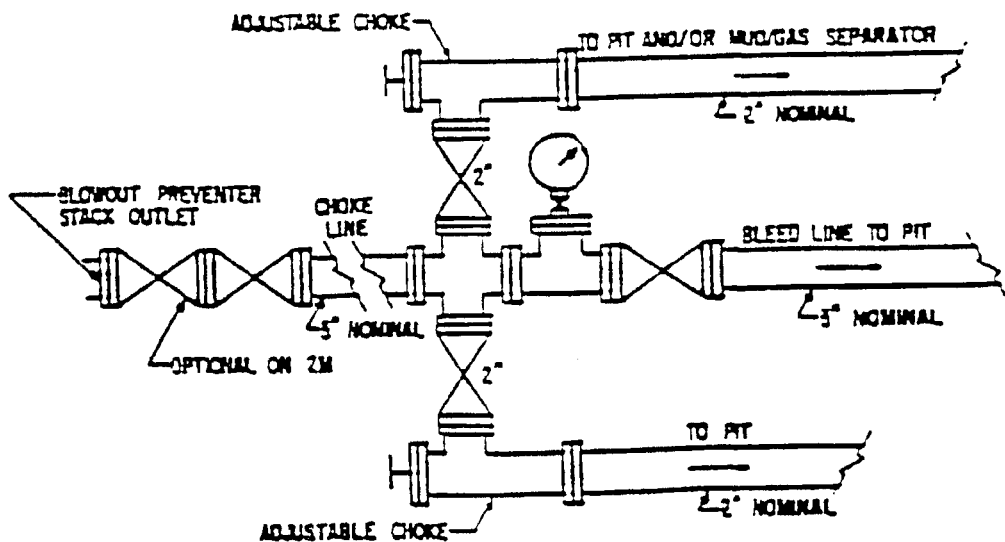
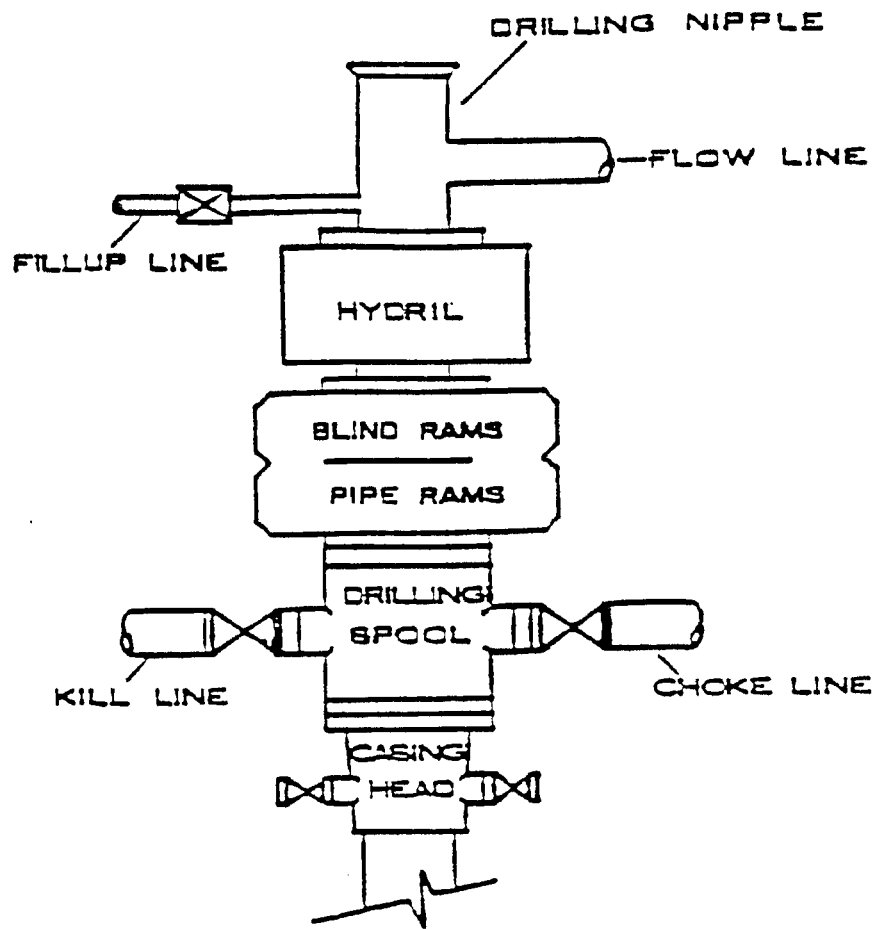
DRILLING SUPERINTENDENT:

Randy Payne

DATE:

3,000 PSI

## EOP STACK



**BITTER CREEK 1122-4A  
NENE SEC 4-T11S-R22E LOT 8  
UINTAH COUNTY, UTAH  
UTU-71417**

**ONSHORE ORDER NO. 1**

***MULTI-POINT SURFACE USE & OPERATIONS PLAN***

**1. Existing Roads:**

Directions to the proposed location are attached.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

**2. Planned Access Roads:**

The proposed access road is approximately 180' +/- . Refer to Topo Map B.

The access road will be crowned (2 to 3%), ditched and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet. Graveling or capping the roadbed will be performed as necessary to provide a well constructed, safe road. Prior to construction or upgrading, the proposed road shall be cleared of any snow and allowed to dry completely.

Surface disturbance and vehicular traffic will be limited to the proposed location and proposed access route. Any additional area needed will be approved in advance. All construction shall be in conformance with the standards outlined in the BLM and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development. 1989.

The road surface and shoulders will be kept in a safe and usable condition and will be maintained in accordance with the original construction standards. All drainage ditches will be kept clear and free-flowing and will be maintained according to original construction standards. The access road surface will be kept free of trash during operations. All traffic will be confined to the approved disturbed surface. Road drainage crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing or shall the drainages be blocked by the road bed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Should mud holes develop, they shall be filled in and detours around them avoided. When snow is removed from the road during the winter months, the snow shall be pushed outside of the borrow ditches, and the turnouts kept clear so that snowmelt will be channeled away from the road.

**3. Location of Existing Wells Within a 1-Mile Radius**

Please refer to Topo Map C.

**4. Location of Existing & Proposed Facilities**

*The following guidelines will apply if the well is productive.*

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The requested color is Carlsbad Canyon (2.5 Y 6/2) as determined during the on-site inspection.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Refer to Topo Map D for the placement of the proposed pipeline.

**Variances to Best Management Practices (BMPs) Requested:**

Approximately 287' of 4" steel pipeline will be installed on surface within the access corridor for the well location. As a Best Management Practice (BMP), the pipeline would be buried within the access road corridor if possible. The construction of pipelines requires the corridor of 30 feet.

This exception to the BMP should be granted by the BLM Authorized Officer because indurated bedrock, such as sandstone, is at or within 2 feet of the surface.

**5. Location and Type of Water Supply:**

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec.32, T4S,R3E, Water User Claim #43-8496, Application #53617.

Where available a 2" or 3" poly pipe will be installed with the existing rights-of-way to supply water during drilling and completion operations. There will be no new disturbance needed and the poly line will be removed after completion operations. The fresh water will be supplied from the power plant located within the following Sections 23, 24, 25, 26, 35, & 36, T8S, R23E.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

**6. Source of Construction Materials**

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

**7. Methods of Handling Waste Materials**

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner is to be used as discussed during on-site inspection. It will be a minimum of 20 mil thick and felt, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

*Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E. (Request is in lieu of filing Form 3160-5, after initial production).*

**8. Ancillary Facilities**

None are anticipated.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

10. **Plans for Reclamation of the Surface:**

*Producing Location:*

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water(s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring of the pit, the stockpiled topsoil will be spread evenly over the location and the location will be reseeded with Crested Wheatgrass.

*Dry Hole/Abandoned Location:*

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

**11. Surface Ownership:**

United States of America  
Bureau of Land Management  
170 South 500 East  
Vernal, UT 84078  
(435) 789-1362

**12. Stipulations:**Antelope Stipulations:

There will be no construction or drilling May 15th to June 20th for antelope.

**13. Other Information:**

A Class III archaeological survey and a paleontological survey have been completed and the reports will be submitted separately.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance. The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it within 460' of any non-committed tract lying within the boundaries of the Unit.

**Seed Mixture:**

The following seed mixture will be used during interim reclamation:

Crested Wheatgrass      12 lb/acre

Operator will contact the BLM for the seed mixture when final reclamation of the location occurs.

**13. Lessee's or Operators's Representative & Certification:**

Debra Domenici  
Associate Environmental Analyst  
Westport O&G Co.  
1368 South 1200 East  
Vernal, UT 84078  
(435) 781-7060

Randy Bayne  
Drilling Manager  
Westport O&G Co.  
1368 South 1200 East  
Vernal, UT 84078  
(435)781-7018

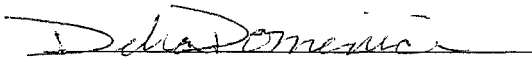
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Westport Oil & Gas Company is considered to be the operator of the subject well. Westport Oil & Gas Company agrees to be responsible under the terms and the conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for the lease activities is being provided by BLM Nationwide Bond #CO-1203.

I hereby certify that the proposed drill site and access route has been inspected and that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

  
Debra Domenici

September 1, 2005  
Date

WESTPORT OIL AND GAS COMPANY, L.P.  
BITTER CREEK #1122-4A  
SECTION 4, T11S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 11.2 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 10.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 2.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #1022-330 TO THE EAST; FOLLOW ROAD FLAGS IN AN EASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE BEGINNING OF THE PROPOSED ACCESS ROAD TO THE EAST; FOLLOW ROAD FLAGS IN AN EASTERLY DIRECTION APPROXIMATELY 180' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 55.6 MILES.

# WESTPORT OIL AND GAS COMPANY, L.P.

BITTER CREEK #1122-4A

LOCATED IN UINTAH COUNTY, UTAH

SECTION 4, T11S, R22E, S.L.B.&M.

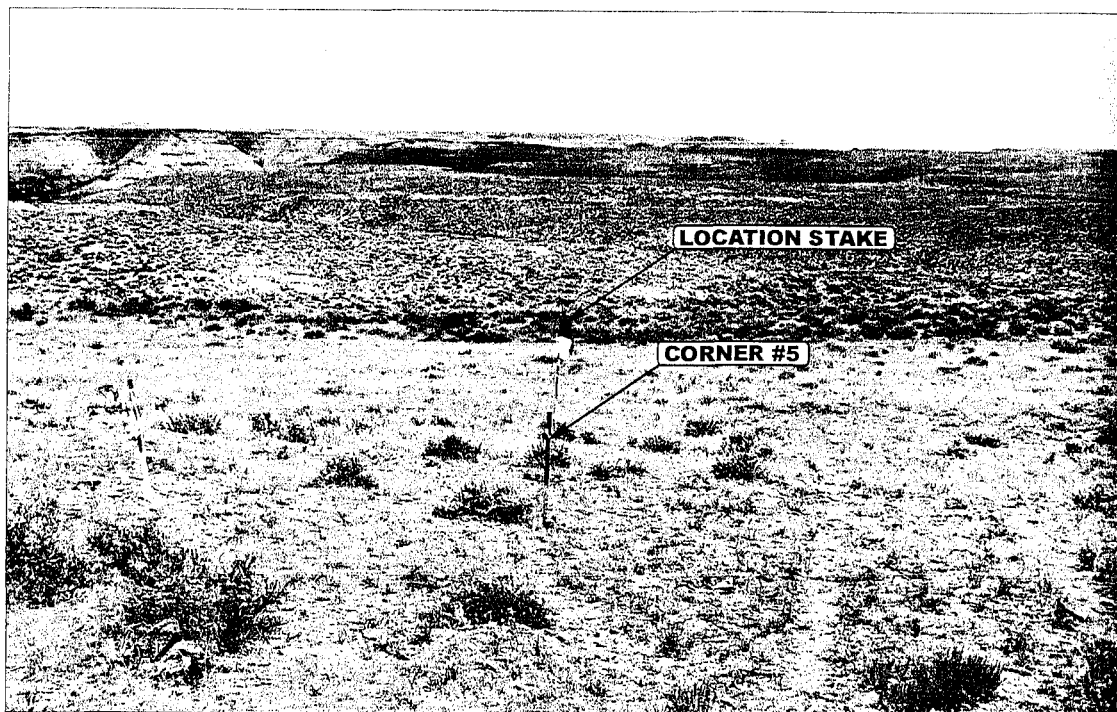


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY

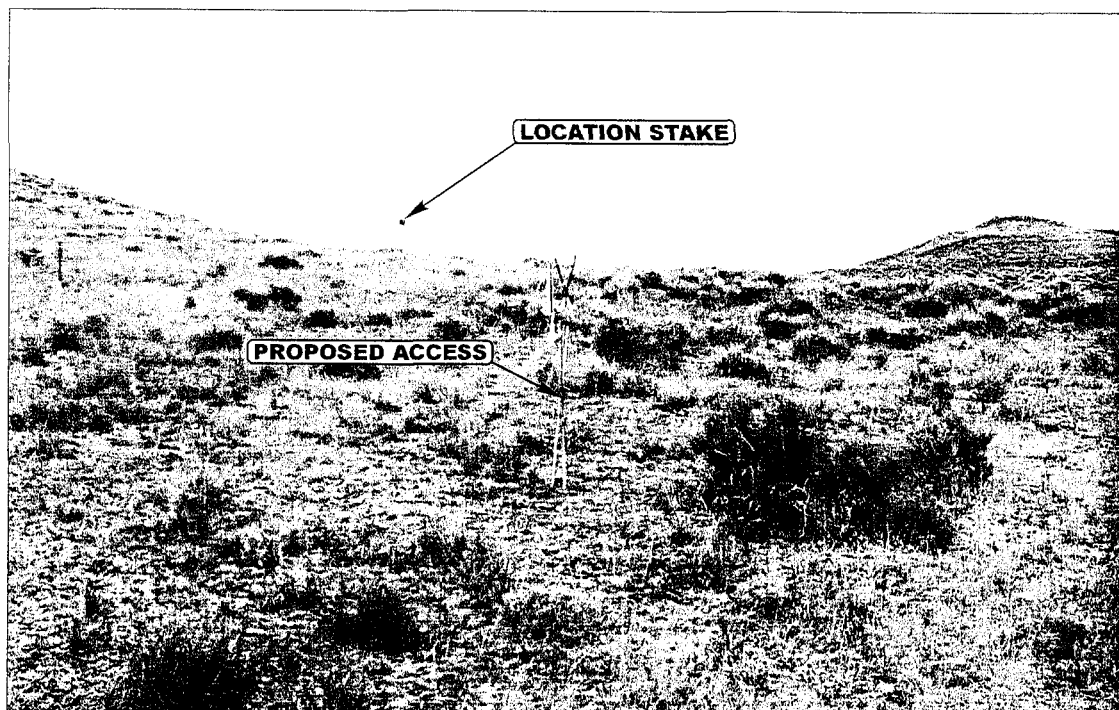


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



Since 1964

**E&L**S

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

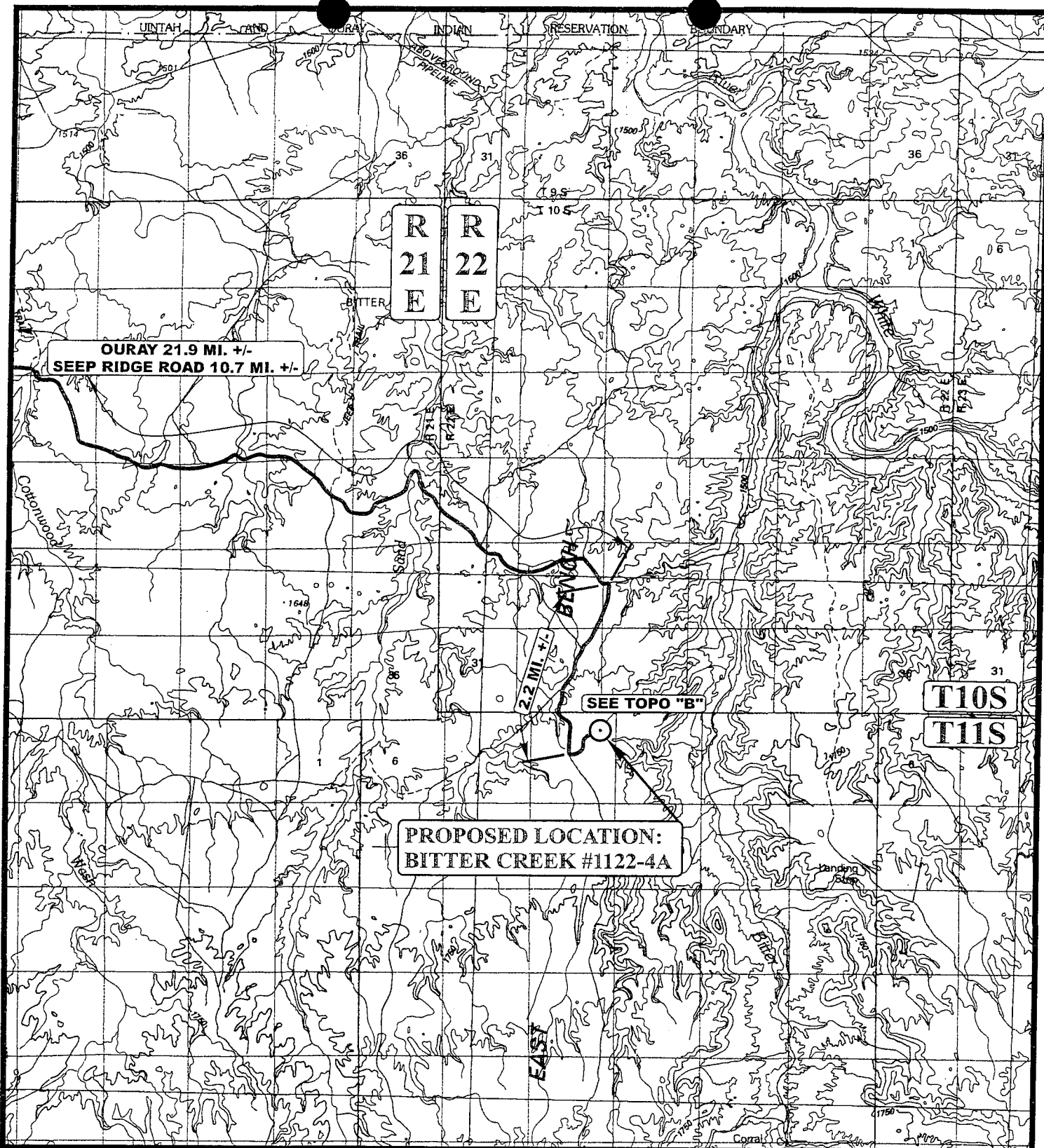
06 23 05  
MONTH DAY YEAR

PHOTO

TAKEN BY: D.A.

DRAWN BY: C.P.

REVISED: 00-00-00



# **LEGEND:**

○ PROPOSED LOCATION



**WESTPORT OIL AND GAS COMPANY, L.P.**

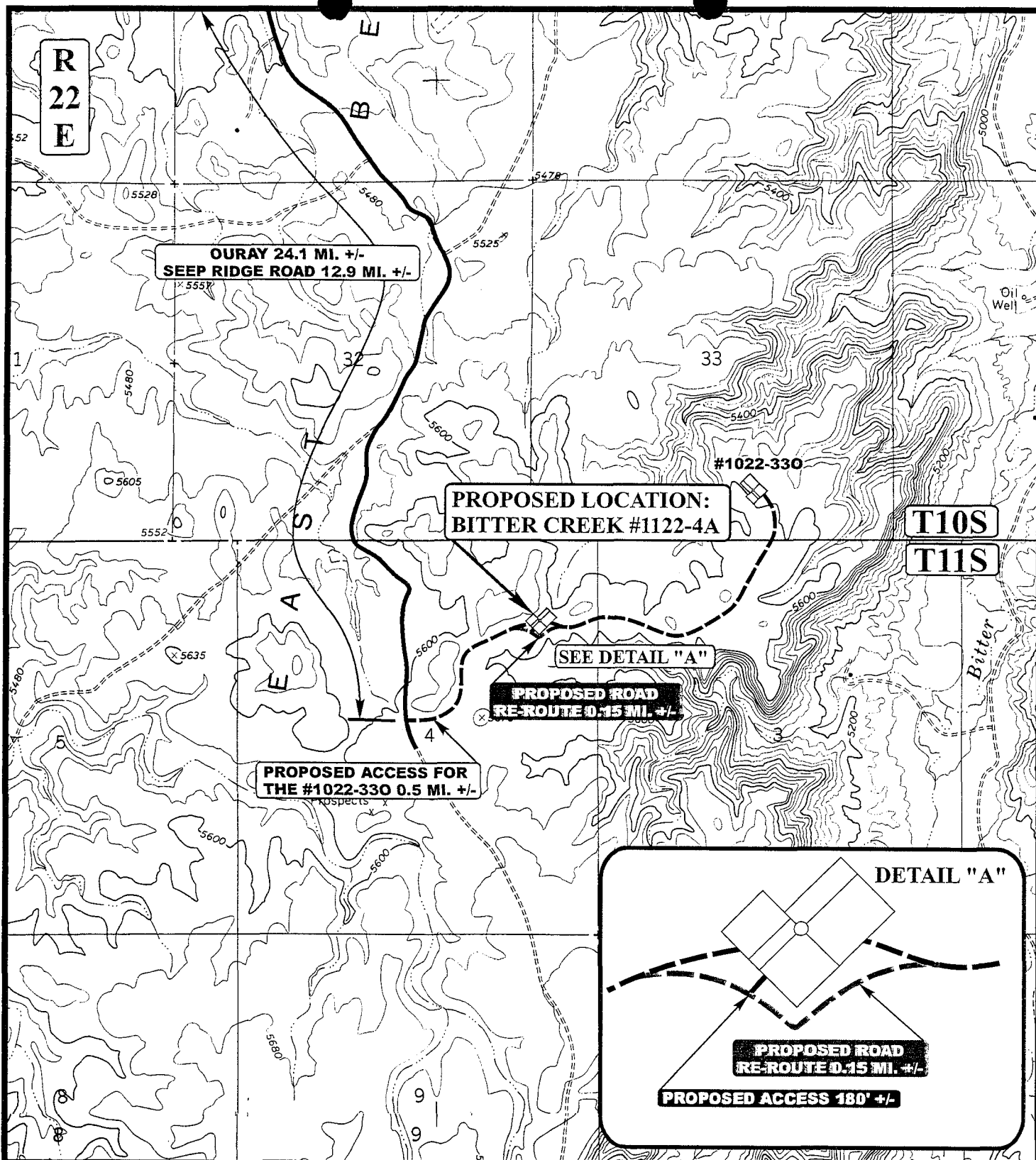
BITTER CREEK #1122-4A  
SECTION 4, T11S, R22E, S.L.B.&M.  
1167' FNL 860' FEL



Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

TOPOGRAPHIC MAP  
06 23 05  
MONTH DAY YEAR  
SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 00-00-00





# **LEGEND:**

- EXISTING ROAD
- PROPOSED ACCESS ROAD
- PROPOSED ROAD RE-ROUTE



**WESTPORT OIL AND GAS COMPANY, L.P.**

**BITTER CREEK #1122-4A  
SECTION 4, T11S, R22E, S.L.B.&M.  
1167' FNL 860' FEL**



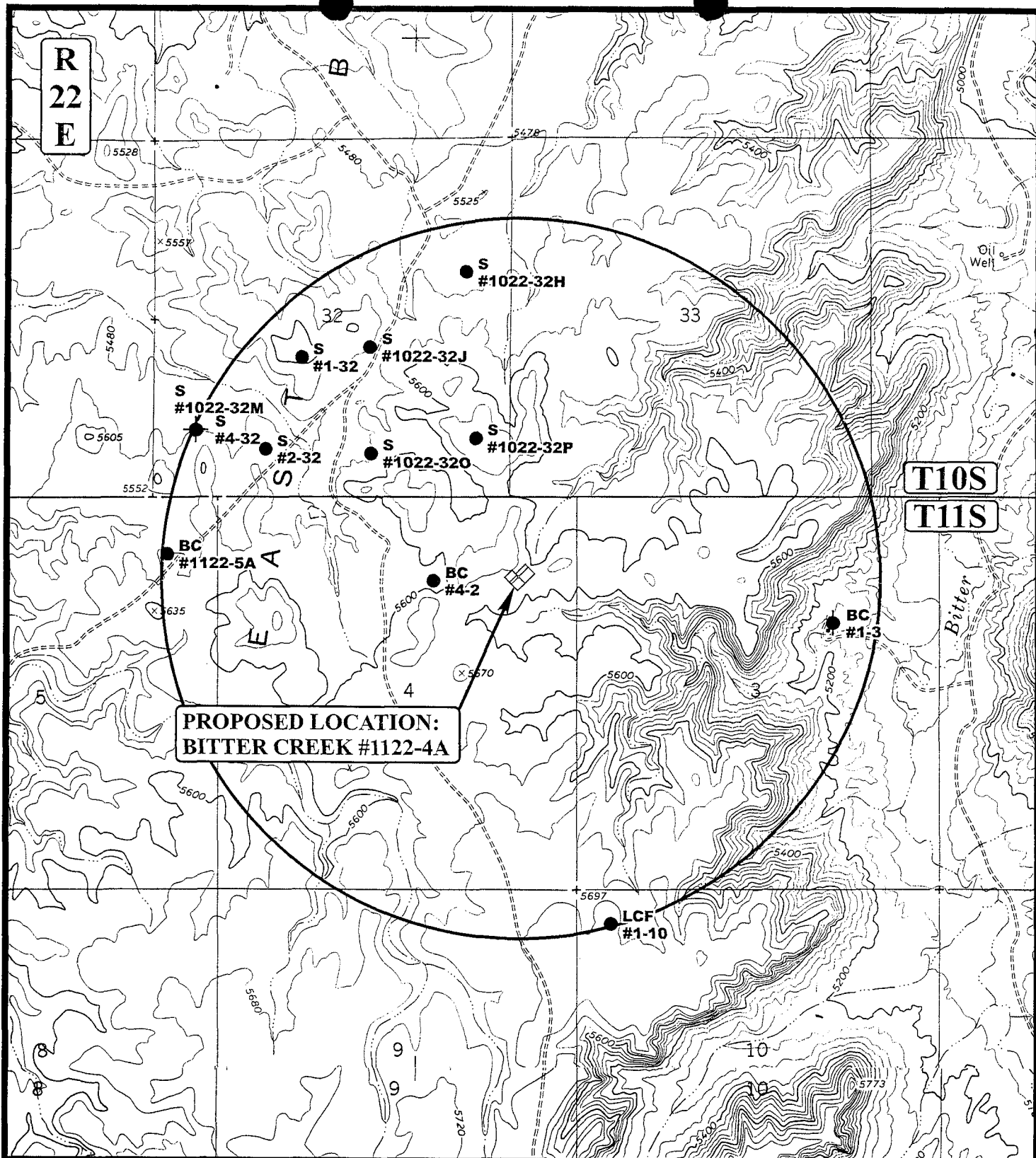
**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC  
MAP**

**06 23 05**  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00

**B  
TOPO**



# **LEGEND:**

- ⊗ DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ⊗ WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



**WESTPORT OIL AND GAS COMPANY, L.P.**

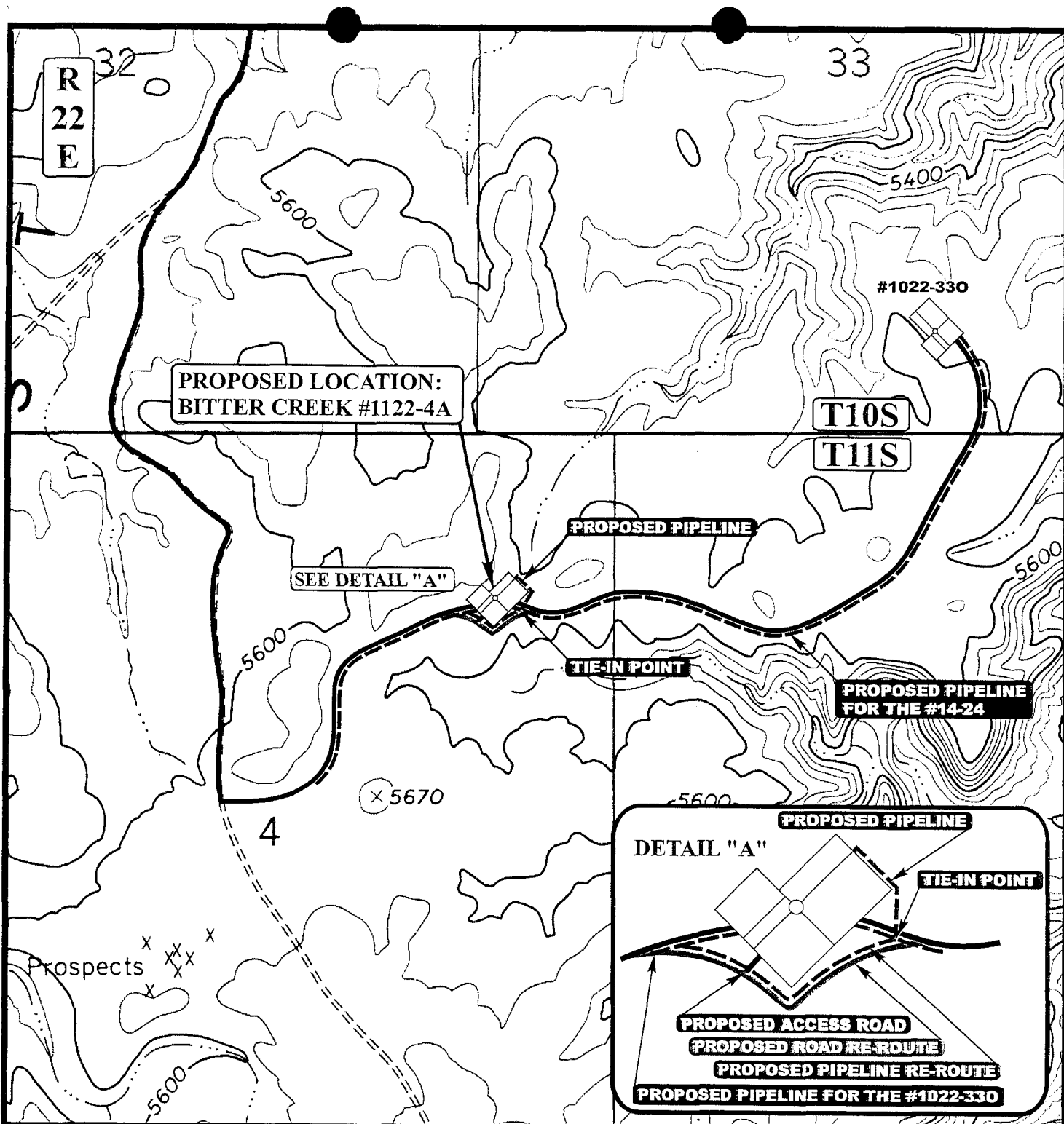
**BITTER CREEK #1122-4A**  
**SECTION 4, T11S, R22E, S.L.B.&M.**  
**1167' FNL 860' FEL**



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC** **06** **23** **05**  
**MAP** **MONTH** **DAY** **YEAR**  
**SCALE: 1" = 2000'** **DRAWN BY: C.P.** **REVISED: 00-00-00**





APPROXIMATE TOTAL PIPELINE DISTANCE = 287' +/-

APPROXIMATE TOTAL PIPELINE RE-ROUTE DISTANCE = 595' +/-

**LEGEND:**

- PROPOSED ACCESS ROAD
- PROPOSED PIPELINE RE-ROUTE
- PROPOSED PIPELINE
- PROPOSED PIPELINE (SERVICING OTHER WELLS)



**WESTPORT OIL AND GAS COMPANY, L.P.**

**BITTER CREEK #1122-4A**  
**SECTION 4, T11S, R22E, S.L.B.&M.**  
**1167' FNL 860' FEL**



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC** 06 23 05  
**MAP** MONTH DAY YEAR  
 SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 00-00-00

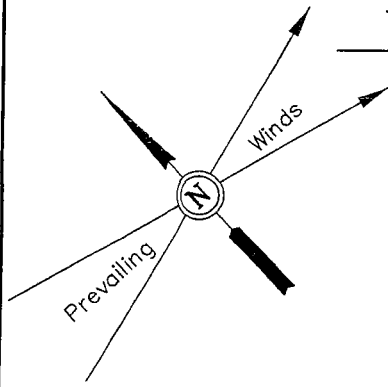
**D**  
**TOPO**

# WESTPORT OIL AND GAS COMPANY, L.P.

FIGURE #1

## LOCATION LAYOUT FOR

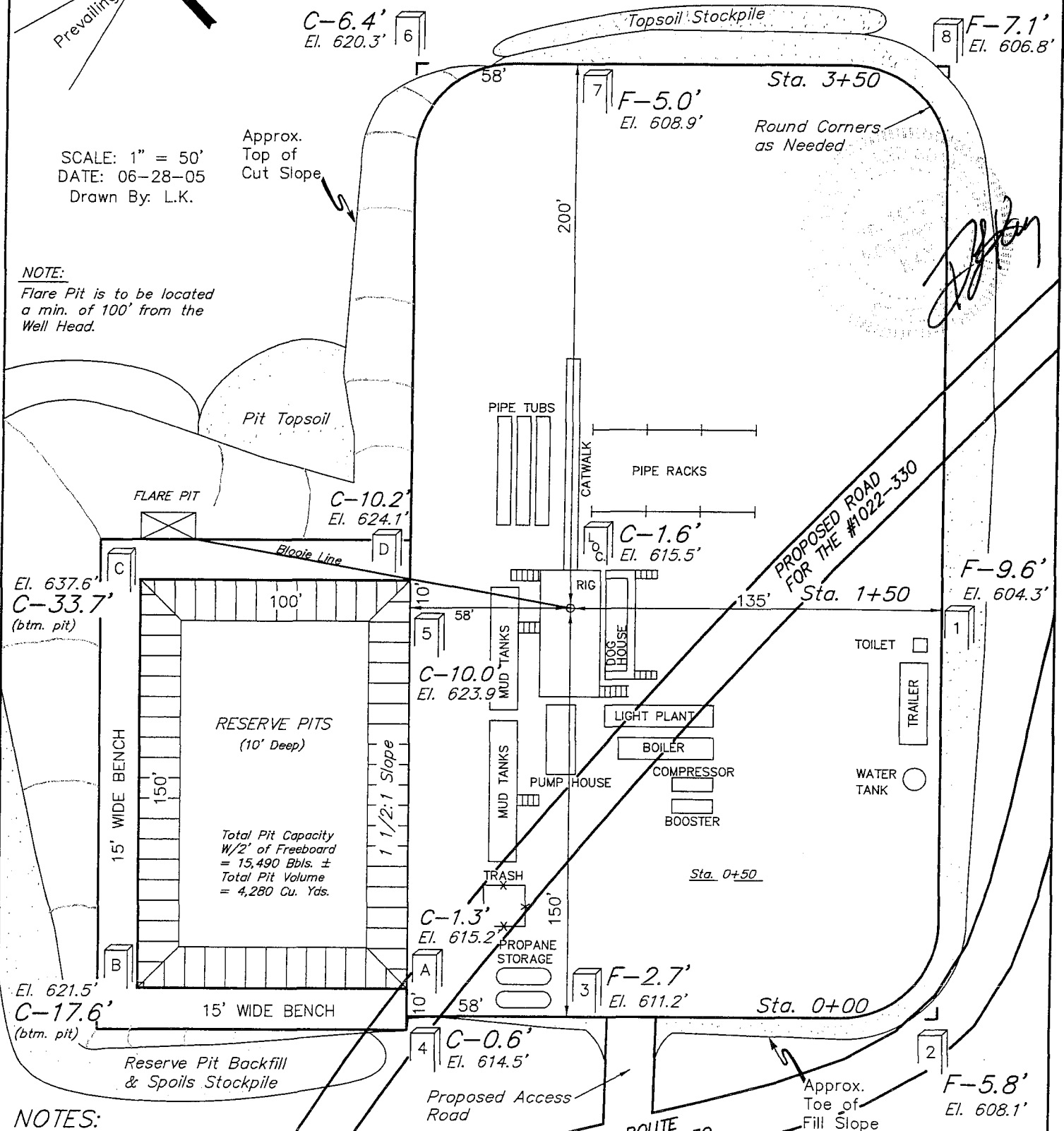
BITTER CREEK #1122-4A  
SECTION 4, T11S, R22E, S.L.B.&M.  
1167' FNL 860' FEL



SCALE: 1" = 50'  
DATE: 06-28-05  
Drawn By: L.K.

### NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.



### NOTES:

Elev. Ungraded Ground At Loc. Stake = 5615.5'  
FINISHED GRADE ELEV. AT LOC. STAKE = 5613.9'

ROAD RE-ROUTE FOR THE #1022-330

UTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

# WESTPORT OIL AND GAS COMPANY, L.P.

FIGURE #2

## TYPICAL CROSS SECTIONS FOR

BITTER CREEK #1122-4A

SECTION 4, T11S, R22E, S.L.B.&M.

1167' FNL 860' FEL

1" = 20'  
X-Section  
Scale  
1" = 50'

DATE: 06-28-05  
Drawn By: L.K.

Preconstruction  
Grade

58'

135'

STA. 3+50

FILL

15'

BENCH

100'

58'

135'

Location Stake

CUT

STA. 1+50

FILL

15'

BENCH

100'

58'

135'

Slope = 1 1/2:1  
(Typ.)

CUT

STA. 0+50

FILL

173'

135'

Finished Grade

CUT

STA. 0+00

FILL

\* NOTE:  
FILL QUANTITY INCLUDES  
5% FOR COMPACTION

### APPROXIMATE YARDAGES

#### CUT

(6") Topsoil Stripping = 2,150 Cu. Yds.  
Remaining Location = 19,690 Cu. Yds.

TOTAL CUT = 21,840 CU.YDS.

FILL = 12,410 CU.YDS.

#### NOTE:

Topsoil should not be  
Stripped Below Finished  
Grade on Substructure Area.

EXCESS MATERIAL = 9,430 Cu. Yds.

Topsoil & Pit Backfill  
(1/2 Pit Vol.) = 4,290 Cu. Yds.

EXCESS UNBALANCE = 5,140 Cu. Yds.  
(After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 09/06/2005

API NO. ASSIGNED: 43-047-37111

WELL NAME: BITTER CREEK 1122-4A

OPERATOR: WESTPORT OIL & GAS CO ( N2115 )

CONTACT: DEBRA DOMENICI

PHONE NUMBER: 435-781-7060

PROPOSED LOCATION:

NENE 04 110S 220E

SURFACE: 1167 FNL 0860 FEL

BOTTOM: 1167 FNL 0860 FEL

UINTAH

BITTER CREEK ( 547 )

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-71417

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSMVD

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

| Tech Review | Initials | Date |
|-------------|----------|------|
| Engineering |          |      |
| Geology     |          |      |
| Surface     |          |      |

LATITUDE: 39.89496

LONGITUDE: -109.4529

RECEIVED AND/OR REVIEWED:

☒ Plat  
☒ Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. CO-1203 )  
☒ Potash (Y/N)  
☒ Oil Shale 190-5 (B) or 190-3 or 190-13  
☒ Water Permit  
(No. 43-8496 )  
☒ RDCC Review (Y/N)  
(Date: )  
☒ Fee Surf Agreement (Y/N)  
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

\_\_\_ R649-2-3.

Unit \_\_\_\_\_

\_\_\_ R649-3-2. General

Siting: 460' From Qtr/Qtr & 920' Between Wells

\_\_\_ R649-3-3. Exception

☒ Drilling Unit

Board Cause No: 210-04

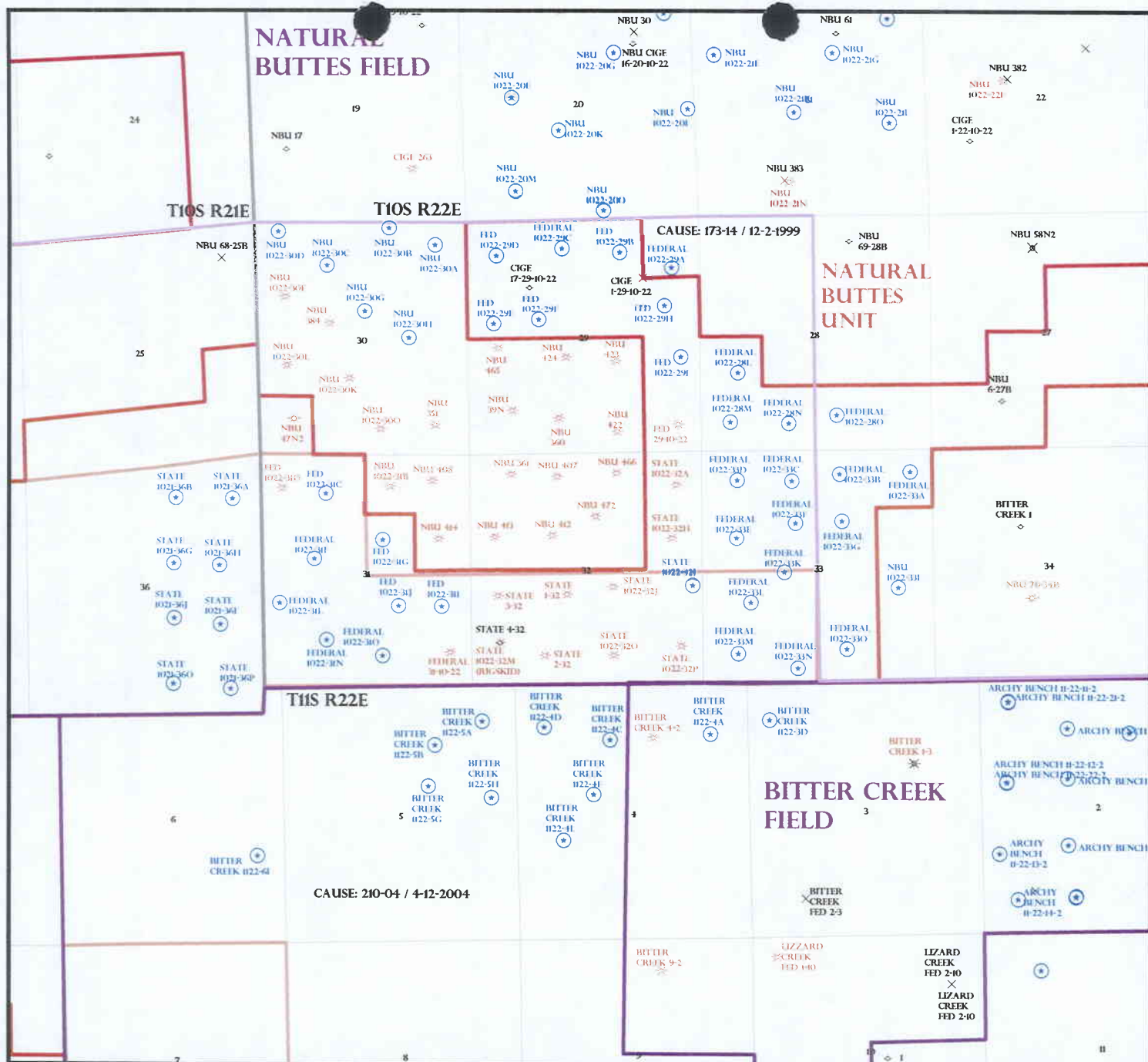
Eff Date: 4-12-2004

Siting: 460' from drrl w hars, 920' fr other wells.

\_\_\_ R649-3-11. Directional Drill

COMMENTS: \_\_\_\_\_

STIPULATIONS: 1- Federal Approval



OPERATOR: WESTPORT O&G CO (N2115)

SEC: 4 T. 11S R. 22E

FIELD: BITTER CREEK (547)

COUNTY: UTAH

CAUSE: 210-04 / 4-12-2004

**Field Status**

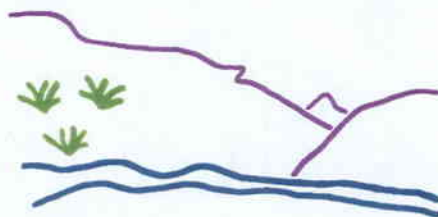
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

**Unit Status**

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

#### Wells Status

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY  
DATE: 08-SEPTEMBER-2005



**State of Utah**

**Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

September 8, 2005

Westport Oil & Gas Company, LP  
1368 South 1200 East  
Vernal, UT 84078

Re: Bitter Creek 1122-4A Well, 1167' FNL, 860' FEL, NE NE, Sec. 4, T. 11 South,  
R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37111.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal District Office

Operator: Westport Oil & Gas Company, LP  
Well Name & Number Bitter Creek 1122-4A  
API Number: 43-047-37111  
Lease: UTU-71417

Location: NE NE Sec. 4 T. 11 South R. 22 East

### Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

**ROUTING**

1. DJJ  
 2. CDW

**X Change of Operator (Well Sold)**

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

**1/6/2006**

**FROM:** (Old Operator):  
 N2115-Westport Oil & Gas Co., LP  
 1368 South 1200 East  
 Vernal, UT 84078  
 Phone: 1-(435) 781-7024

**TO:** ( New Operator):  
 N2995-Kerr-McGee Oil & Gas Onshore, LP  
 1368 South 1200 East  
 Vernal, UT 84078  
 Phone: 1-(435) 781-7024

**CA No.**

**Unit:**

WELL NAME

| SEC | TWN | RNG | API NO | ENTITY<br>NO | LEASE<br>TYPE | WELL<br>TYPE | WELL<br>STATUS |
|-----|-----|-----|--------|--------------|---------------|--------------|----------------|
|-----|-----|-----|--------|--------------|---------------|--------------|----------------|

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- 4a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- 4b. If **NO**, the operator was contacted on: \_\_\_\_\_
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a
- 5c. Reports current for Production/Disposition & Sundries on: ok
- 6. Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet
- 7. Federal and Indian Units:**  
 The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006
- 8. Federal and Indian Communization Agreements ("CA"):**  
 The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- 9. Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: \_\_\_\_\_

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 5/15/2006
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/15/2006
- Bond information entered in RBDMS on: 5/15/2006
- Fee/State wells attached to bond in RBDMS on: 5/16/2006
- Injection Projects to new operator in RBDMS on: \_\_\_\_\_
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a Name Change Only

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: CO1203
- Indian well(s) covered by Bond Number: RLB0005239
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0005236
- a. The **FORMER** operator has requested a release of liability from their bond on: n/a rider added KMG  
 The Division sent response by letter on: \_\_\_\_\_

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 5/16/2006

**COMMENTS:**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
**KERR-McGEE OIL & GAS ONSHORE LP**

3a. Address  
**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)  
**(435) 781-7024**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

5. Lease Serial No.  
**MULTIPLE LEASES**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.  
**MUTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

**SEE ATTACHED**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |  |   |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent             | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off                             |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity                             |
| <input type="checkbox"/> Final Abandonment Notice     | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other <b>CHANGE OF OPERATOR</b> |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |   |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |   |

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006.  
KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

**RECEIVED**

**MAY 10 2006**

DIV. OF OIL, GAS & MINING

BLM BOND = C01203

BIA BOND = RLB0005239

**APPROVED 5/16/06**

*Earlene Russell*

**Division of Oil, Gas and Mining**  
**Earlene Russell, Engineering Technician**

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

**RANDY BAYNE**

Signature

*Randy Bayne*

Title

**DRILLING MANAGER**

Date

**May 9, 2006**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY L.P.

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other CHANGE OF OPERATOR

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

EFFECTIVE JANUARY 6, 2006, WESTPORT OIL & GAS COMPANY L.P., HAS RELINQUISHED THE OPERATORSHIP OF THE ATTACHED WELL LOCATIONS TO KERR-McGEE OIL & GAS ONSHORE LP.

APPROVED 5/16/06  
Earlene Russell  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

RECEIVED  
MAY 10 2006

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

BRAD LANEY

Signature

Title

ENGINEERING SPECIALIST

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Brad Laney

Title

Office

Date

5-9-06

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



## United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Colorado State Office  
2850 Youngfield Street  
Lakewood, Colorado 80215-7076

IN REPLY REFER TO:

CO922 (MM)  
3106  
COC017387 et. al.

March 23, 2006

### NOTICE

Kerr-McGee Oil & Gas Onshore L.P. :  
1999 Broadway, Suite 3700 : Oil & Gas  
Denver, CO 80202 :

#### Merger/Name Change - Recognized

On February 28, 2006 this office received acceptable evidence of the following mergers and name conversion:

Kerr-McGee Oil & Gas Onshore L.P., a Delaware Limited Partnership, and Kerr-McGee Oil & Gas Onshore LLC, a Delaware Limited Partnership merger with and into Westport Oil and Gas Company L.P., a Delaware Limited Partnership, and subsequent Westport Oil & Gas Company L.P. name conversion to Kerr-McGee Oil & Gas Onshore L.P.

For our purposes the merger and name conversion was effective January 4, 2006, the date the Secretary of State of Delaware authenticated the mergers and name conversion.

Kerr-McGee Oil & Gas Onshore L.P. provided a list of oil and gas leases held by the merging parties with the request that the Bureau of Land Management change all their lease records from the named entities to the new entity, Kerr-McGee Oil & Gas Onshore L.P. In response to this request each state is asked to retrieve their own list of leases in the names of these entities from the Bureau of Land Management's (BLM) automated LR2000 data base.

The oil and gas lease files identified on the list provided by Kerr-McGee Oil & Gas Onshore L.P. have been updated as to the merger and name conversion. We have not abstracted the lease files to determine if the entities affected by the acceptance of these documents holds an interest in the lease, nor have we attempt to identify leases where the entity is the operator on the ground that maintains vested record title or operating rights interests. If additional documentation, for change of operator, is required you will be contacted directly by the appropriate Field Office. The Mineral Management Services (MMS) and other applicable BLM offices were notified of the merger with a copy of this notice

Please contact this office if you identify additional leases where the merging party maintains an interest, under our jurisdiction, and we will document the case files with a copy of this notice. If the leases are under the jurisdiction of another State Office that information will be forwarded to them for their action.

Three riders accompanied the merger/name conversion documents which will add Kerr-McGee Oil and Gas Onshore LLC as a principal to the 3 Kerr-McGee bonds maintained by the Wyoming State Office. These riders will be forward to them for their acceptance.

The Nationwide Oil & Gas Continental Casualty Company Bond #158626364 (BLM Bond #CO1203), maintained by the Colorado State Office, will remain in full force and effect until an assumption rider is accepted by the Wyoming State Office that conditions their Nationwide Safeco bond to accept all outstanding liability on the oil and gas leases attached to the Colorado bond.

If you have questions about this action you may call me at 303.239.3768.

/s/Martha L. Maxwell  
Martha L. Maxwell  
Land Law Examiner  
Fluid Minerals Adjudication

Attachment:

List of OG Leases to each of the following offices:

MMS MRM, MS 357B-1

WY, UT, NM/OK/TX, MT/ND, WY State Offices

CO Field Offices

Wyoming State Office

Rider #1 to Bond WY2357

Rider #2 to Bond WY1865

Rider #3 to Bond WY1127



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155  
<http://www.blm.gov>



IN REPLY REFER TO:  
3106  
(UT-922)

March 27, 2006

## Memorandum

To: Vernal Field Office

From: Chief, Branch of Fluid Minerals

Subject: Merger Approval

Attached is an approved copy of the merger recognized by the Bureau of Land Management, Colorado State Office. We have updated our records to reflect the merger from Westport Oil and Gas Company L.P. into Kerr-McGee Onshore Oil and Gas Company. The merger was approved effective January 4, 2006.

Chief, Branch of  
Fluid Minerals

## Enclosure

Approval letter from BLM COSO (2 pp)

cc: MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225  
State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114  
Teresa Thompson  
Joe Incardine  
Connie Seare  
Dave Mascarenas  
Susan Bauman

RECEIVED

MAR 28 2006

ENCL. OF OIL, GAS & MINERAL

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

AUG 24 2006

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR MCGEE OIL AND GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

435-781-7003

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

NENE SEC 4-T11S-R22E

1167' FNL 860' FEL LOT 8

5. Lease Serial No.

UTU-71417

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

NATURAL BUTTES

8. Well Name and No.

BITTER CREEK 1122-4A

9. API Well No.

4304737111

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other APD EXTENSION  
BLM

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE OPERATOR REQUESTS AUTHORIZATION FOR A ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE BREAU OF LAND MANAGEMENT ON SEPTEMBER 8, 2005.

CONDITIONS OF APPROVAL ATTACHED

RECEIVED

SEP 28 2006

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

RAMEY HOOPES

Title

REGULATORY CLERK

DIV. OF OIL, GAS & MINING

Date

August 22, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Petroleum Engineer

Date

SEP 21 2006

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

UDOGM

# CONDITIONS OF APPROVAL

## Kerr McGee Oil & Gas Onshore.

### Notice of Intent APD Extension

Lease: <sup>1417</sup>UTU-78727  
Well: Bitter Creek 1122-4A  
Location: NENE Sec 4-T11S-R22E

An extension for the referenced APD is granted with the following conditions:

---

1. The extension and APD shall expire on 9/8/07
2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Matt Baker of this office at (435) 781-4490

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**SUNDRY NOTICES AND REPORTS ON WELLS**

**Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

5. Lease Serial No.

UTU-71417

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

NATURAL BUTTES

8. Well Name and No.

BITTER CREEK 1122-4A

9. API Well No.

4304737111

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR MCGEE OIL AND GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

435-781-7003

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

NENE SEC 4-T11S-R22E

1167' FNL 860' FEL LOT 8

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |  |   |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent             | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off                 |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity                 |
| <input type="checkbox"/> Final Abandonment Notice     | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other APD EXTENSION |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       | DOGM  |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |   |

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE OPERATOR REQUESTS AUTHORIZATION FOR A ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE DIVISION OF OIL, GAS AND MINING ON SEPTEMBER 8, 2005.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date:

By:

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

RAMEY HOOPES

Title

REGULATORY CLERK

Signature

Ramey Hoopes

Date

October 20, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

RECEIVED

NOV 01 2006

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 4304737111  
**Well Name:** BITTER CREEK 1122-4A  
**Location:** NENE SEC 4- T11S-R22E  
**Company Permit Issued to:** KERR MCGEE OIL AND GAS ONSHORE LP  
**Date Original Permit Issued:** 9/8/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

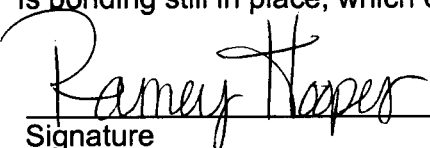
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

  
Signature

10/20/2006

Date

Title: REGULAROTY CLERK

Representing: Kerr McGee Oil and Gas Onshore LP

RECEIVED  
NOV 01 2006  
DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED  
OMB No. 1004-0126  
Expires November 30, 2000

5. Lease Serial No.  
UTU-71417

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

UTU-80666

8. Lease Name and Well No.

BITTER CREEK 1122-4A

9. API Well No.

43-042-37111

10. Field and Pool, or Exploratory

11. Sec., T., R., M., or Blk, and Survey or Area

SEC 4-T11S-R22E

12. County or Parish

UINTAH

13. State

UT

1a. Type of Work: ☒ DRILL ☐ REENTER

b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator

KERR MCGEE OIL AND GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST, VERNAL, UTAH 84078

3b. Phone No. (include area code)

(435) 781-7003

4. Location of Well (Report location clearly and in accordance with any State requirements. \*)

At surface NENE 1167' FNL 860' FEL LOT 8

At proposed prod. Zone

14. Distance in miles and direction from nearest town or post office\*

24.75 MILES SOUTHEAST OF OURAY, UTAH

15. Distance from proposed\*  
location to nearest  
property or lease line, ft.  
(Also to nearest drig. unit line, if any)

860'

16. No. of Acres in lease

1520

17. Spacing Unit dedicated to this well

40

18. Distance from proposed\*  
to nearest well, drilling, completed,  
applied for, on this lease, ft.

REFER TO  
TOPO C

19. Proposed Depth

8500'

20. BLM/BIA Bond No. on file

CO-1203

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

5615.5' GL

22. Approximate date work will start\*

UPON APPROVAL

23. Estimated duration

TO BE DETERMINED

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

3. A Surface Use Plan (if the location is on National Forest System Lands, the  
SUPO shall be filed with the appropriate Forest Service Office.

4. Bond to cover the operations unless covered by an existing bond on file (see  
Item 20 above).

5. Operator certification.

6. Such other site specific information and/or plans as may be required by the  
authorized office.

25. Signature

Ramey Hoopes

Name (Printed/Typed)

RAME HOOPES

Date

4/13/2006

Title

REGULATORY CLERK

Approved by (Signature)

Jerry Kewzka

Name (Printed/Typed)

Jerry Kewzka

Date

7-16-2007

Title

Assistant Field Manager  
Lands & Mineral Resources

Office

VERNAL FIELD OFFICE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on reverse)

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED  
RECEIVED

JUL 23 2007

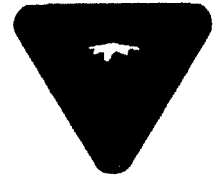
DIV. OF OIL, GAS & MINING

06GXJ0099A



**UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE**

**170 South 500 East VERNAL, UT 84078 (435) 781-4400**



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

**Company: Kerr-McGee Oil & Gas Onshore, LP      Location: NENE, Sec. 4, T11S, R22E**  
**Well No: Bitter Creek 1122-4A      Lease No: UTU-71417**  
**API No: 43-047-37111      Agreement: CA UTU-80666**

| Title                             | Name            | Office Phone Number | Cell Phone Number |
|-----------------------------------|-----------------|---------------------|-------------------|
| Petroleum Engineer:               | Matt Baker      | 435-781-4490        | 435-828-4470      |
| Petroleum Engineer:               | Michael Lee     | 435-781-4432        | 435-828-7875      |
| Petroleum Engineer:               | James Ashley    | 435-781-4470        | 435-828-7874      |
| Petroleum Engineer:               | Ryan Angus      | 435-781-4430        | 435-828-7368      |
| Supervisory Petroleum Technician: | Jamie Sparger   | 435-781-4502        | 435-828-3913      |
| NRS/Enviro Scientist:             | Paul Buhler     | 435-781-4475        | 435-828-4029      |
| NRS/Enviro Scientist:             | Karl Wright     | 435-781-4484        |                   |
| NRS/Enviro Scientist:             | Holly Villa     | 435-781-4404        |                   |
| NRS/Enviro Scientist:             | Chuck MacDonald | 435-781-4441        |                   |
| NRS/Enviro Scientist:             | Jannice Cutler  | 435-781-3400        |                   |
| NRS/Enviro Scientist:             | Michael Cutler  | 435-781-3401        |                   |
| NRS/Enviro Scientist:             | Anna Figueroa   | 435-781-3407        |                   |
| NRS/Enviro Scientist:             | Verlyn Pindell  | 435-781-3402        |                   |
| NRS/Enviro Scientist:             | Darren Williams | 435-781-4447        |                   |
| NRS/Enviro Scientist:             | Nathan Packer   | 435-781-3405        |                   |

Fax: 435-781-4410

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

**NOTIFICATION REQUIREMENTS**

- |  |  |
|--|--|
| Location Construction<br>(Notify NRS/Enviro Scientist)                     | - Forty-Eight (48) hours prior to construction of location and access roads.   |
| Location Completion<br>(Notify NRS/Enviro Scientist)                       | - Prior to moving on the drilling rig.   |
| Spud Notice<br>(Notify Petroleum Engineer)                                 | - Twenty-Four (24) hours prior to spudding the well.   |
| Casing String & Cementing<br>(Notify Supervisory Petroleum Technician)     | - Twenty-Four (24) hours prior to running casing and cementing all casing strings.   |
| BOP & Related Equipment Tests<br>(Notify Supervisory Petroleum Technician) | - Twenty-Four (24) hours prior to initiating pressure tests.   |
| First Production Notice<br>(Notify Petroleum Engineer)                     | - Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |

***SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)***

**General Surface COAs**

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer AO. A report will be prepared by a BLM permitted paleontologist and submitted to the AO at the completion of surface disturbing activities.

**Specific Surface COAs**

- During operations, if any vertebrate paleontological resources are discovered, all operations affecting such sites shall be immediately suspended, and all discoveries shall be left intact until authorized to proceed by the Authorized Officer. The appropriate Authorized Officer of the Vernal BLM office shall be notified within 48 hrs of the discovery, and a decision as to the preferred alternative/course of action will be rendered.
- The lessee/operator is given notice that lands in the lease have been identified as containing crucial pronghorn (antelope) habitat. It is requested that the lessee/operator not initiate surface disturbing activities or drilling from May 15 through June 20. A survey may be conducted by a qualified biologist or a BLM representative during this timing period to determine if pronghorn are in the area.
- 4 to 6 inches of topsoil shall be stripped from the location and windrowed as shown on the cut sheet. The topsoil shall then be broadcast seeded with the recommended seed mix immediately after it has been windrowed and the seed walked into the soil with a dozer.
- The topsoil from the reserve pit shall be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be recontoured and the topsoil respread, and the area shall be seeded in the same manner as the location topsoil.
- Once the location is plugged and abandoned, it shall be recontoured to natural contours, topsoil respread where appropriate, and the entire location seeded with the recommended seed mix. Seeding shall take place by broadcasting the seed and walking it into the soil with a dozer immediately after the dirt work is completed.

## **DOWNHOLE CONDITIONS OF APPROVAL**

### **SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL**

- A surface casing shoe integrity test shall be performed.

**All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to.** The following items are emphasized:

**All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to.** The following items are emphasized:

### **DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

## **OPERATING REQUIREMENT REMINDERS:**

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and/or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include

deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: KERR McGEE OIL & GAS ONSHORE LP Operator Account Number: N 2995  
Address: 1368 SOUTH 1200 EAST  
city VERNAL  
state UT zip 84078 Phone Number: (435) 781-7024

**Well 1**

| API Number   | Well Name             |                   | QQ         | Sec | Twp                              | Rng | County |
|--|-----------------------|-------------------|------------|-----|----------------------------------|-----|--------|
| 4304737111   | BITTER CREEK 1122-4A  |                   | NENE       | 4   | 11S                              | 22E | UINTAH |
| Action Code  | Current Entity Number | New Entity Number | Spud Date  |     | Entity Assignment Effective Date |     |        |
| A  | 99999                 | 16566             | 12/20/2007 |     | 12/31/07                         |     |        |
| Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> <b>CONFIDENTIAL</b><br>SPUD WELL LOCATION ON 12/20/2007 AT 0800 HRS. |                       |                   |            |     |                                  |     |        |

**Well 2**

| API Number  | Well Name             |                   | QQ        | Sec | Twp                              | Rng | County |
|-------------|-----------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
|             |                       |                   |           |     |                                  |     |        |
| Action Code | Current Entity Number | New Entity Number | Spud Date |     | Entity Assignment Effective Date |     |        |
|             |                       |                   |           |     |                                  |     |        |
| Comments:   |                       |                   |           |     |                                  |     |        |

**Well 3**

| API Number  | Well Name             |                   | QQ        | Sec | Twp                              | Rng | County |
|-------------|-----------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
|             |                       |                   |           |     |                                  |     |        |
| Action Code | Current Entity Number | New Entity Number | Spud Date |     | Entity Assignment Effective Date |     |        |
|             |                       |                   |           |     |                                  |     |        |
| Comments:   |                       |                   |           |     |                                  |     |        |

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

SHEILA UPCHEGO

Name (Please Print)

Signature

SENIOR LAND SPECIALIST

Title

12/20/2007

Date

**RECEIVED**

**DEC 21 2007**

**DIV. OF OIL, GAS & MINING**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**

**Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No.

UTU-71417

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

**BITTER CREEK 1122-4A**

9. API Well No.

4304737111

10. Field and Pool, or Exploratory Area

**NATURAL BUTTES**

11. County or Parish, State

**UINTAH COUNTY, UTAH**

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

**KERR-McGEE OIL & GAS ONSHORE LP**

3a. Address

**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)

**(435) 781-7024**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**NE/NE LOT 8, SEC, 4, T11S, R22E 1167'FNL, 860'FEL**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |  |  |
|---|---|---|--|--|
| <input type="checkbox"/> Notice of Intent             | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off                    |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity                    |
| <input type="checkbox"/> Final Abandonment Notice     | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other <b>WELL SPUD</b> |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |  |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |  |

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/28 SX READY MIX.

**SPUD WELL LOCATION ON 12/20/2007 AT 0800 HRS.**

**RECEIVED**

**DEC 24 2007**

**DIV. OF OIL, GAS & MINING**

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

**SHEILA UPCHEGO**

Title

**SENIOR LAND ADMIN SPECIALIST**

Signature

Date

**December 20, 2007**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

5. Lease Serial No.

UTU-71417

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

BITTER CREEK 1122-4A

9. API Well No.

4304737111

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

## SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL &amp; GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

NE/NE LOT 8, SEC, 4, T11S, R22E 1167'FNL, 860'FEL

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |  |   |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent             | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off               |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity               |
| <input type="checkbox"/> Final Abandonment Notice     | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other SET SURFACE |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       | CSG   |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |   |

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

MIRU BILL MARTIN AIR RIG ON 01/06/2008. DRILLED 12 1/4" SURFACE HOLE TO 1840'. RAN 9 5/8" 36# J-55 SURFACE CSG. LEAD CMT W/150 SX HIFILL CLASS G @11.0 PPG 3.82 YIELD. TAILED CMT W/200 SX PREM CLASS G @15.8 PPG 1.15 YIELD. GOOD RETURNS THROUGH OUT JOB. 20 +/- BBLs LEAD CMT TO PIT. RAN 200' OF 1" PIPE. CMT W/125 SX PREM CLASS G @15.8 1.15 YIELD DOWN 1" PIPE. GOOD CMT TO SURFACE AND FELL BACK. TOP OUT W/125 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE HOLE STAYED FULL. WORT

RECEIVED

JAN 15 2008

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

DIV. OF OIL, GAS &amp; MINING

Signature

Date

January 10, 2008

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**

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**SUBMIT IN TRIPLICATE – Other instructions on reverse side**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

**KERR-McGEE OIL & GAS ONSHORE LP**

3a. Address

**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)

**(435) 781-7024**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**NE/NE LOT 8, SEC, 4, T11S, R22E 1167'FNL, 860'FEL**

5. Lease Serial No.

**UTU-71417**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

**BITTER CREEK 1122-4A**

9. API Well No.

**4304737111**

10. Field and Pool, or Exploratory Area

**NATURAL BUTTES**

11. County or Parish, State

**UINTAH COUNTY, UTAH**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |  |  |
|---|---|---|--|--|
| <input type="checkbox"/> Notice of Intent             | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off                                    |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity                                    |
| <input type="checkbox"/> Final Abandonment Notice     | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other <b>FINAL DRILLING OPERATIONS</b> |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |  |
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FINISHED DRILLING FROM 1840' TO 8350' ON 02/07/2008. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/358 SX PREM LITE II @11.5 PPG 2.61 YIELD. TAILED CMT W/1030 SX 50/50 POZ @14.3 PPG 1.31 YIELD. DROP TOP PLUG REGAIN CIRC AT START OF DISPLACEMENT 129.5 BBLS LAND PLUG W/3500 PSI 500 OVER FLOATS OK NO CMT TO SURFACE. UNABLE TO LAND CSG. IN HANGER PICK UP AND HANG STACK SET CSG SLIPS W/80,000 CUT OFF CSG LOWER STACK CLEAN PITS.

RELEASED PIONEER RIG 41 ON 02/08/2008 AT 1300 HRS.

RECEIVED

FEB 25 2008

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

**SHEILA UPCHEGO**

Title

**SENIOR LAND ADMIN SPECIALIST**

Date

**February 12, 2008**

DIV. OF OIL, GAS & MINING

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

Title

Date

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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

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8. Well Name and No.

**BITTER CREEK 1122-4A**

9. API Well No.

4304737111

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NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

**SUBMIT IN TRIPLICATE – Other instructions on reverse side**

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☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

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3a. Address

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3b. Phone No. (include area code)

**(435) 781-7024**

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**NE/NE LOT 8, SEC, 4, T11S, R22E 1167'FNL, 860'FEL**

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| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity                              |
| <input type="checkbox"/> Final Abandonment Notice     | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other <b>PRODUCTION START-UP</b> |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |  |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |  |

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THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 02/28/2008 AT 10:30 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

**SHEILA UPCHEGO**

Title

**SENIOR LAND ADMIN SPECIALIST**

Signature

Date

**February 28, 2008**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

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**RECEIVED**

(Instructions on reverse)

**MAR 03 2008**

**DIV. OF OIL, GAS & MINING**

Anadarko Petroleum Corporation  
1368 South 1200 East  
Vernal, UT 84078

## CHRONOLOGICAL WELL HISTORY

### **BITTER CREEK 1122-4A**

LOCATION NENE, SEC.4, T11S, R22E  
UINTAH COUNTY, UT

| DATE     | ACTIVITY  | PIONEER 41 | STATUS       |
|----------|---|------------|--------------|
| 11/27/07 | LOCATION STARTED  | PIONEER 41 |              |
| 12/17/07 | LOCATION COMPLETED  | PIONEER 41 | P/L IN, WOBR |
| 12/20/07 | SET CONDUCTOR   | PIONEER 41 | WOAR         |
| 01/05/08 | SET AIR RIG   | PIONEER 41 | DRILL        |
| 01/15/08 | 9-5/8" @ 1800'  | PIONEER 41 | WORT         |
| 01/29/08 | TD: 1840' Csg. 9 5/8" @ 1801' MW: 8.4 SD: 1/xx/08 DOL/DSS:2/0<br>RDRT and move to B/C 1122-4A. Spot rig equipment. SDFN.  |            |              |
| 01/30/08 | TD: 1840' Csg. 9 5/8" @ 1801' MW: 8.4 SD: 1/xx/08 DOL/DSS:3/0<br>Spot rig equipment and RURT.   |            |              |
| 01/31/08 | TD: 1858' Csg. 9 5/8" @ 1801' MW: 8.4 SD: 1/xx/08 DOL/DSS:4/0<br>RURT.  |            |              |
| 02/01/08 | TD: 1858' Csg. 9 5/8" @ 1801' MW: 8.4 SD: 1/xx/08 DOL/DSS:5/0<br>RURT. NU and test BOPE. Annular failed to test. Change out annular element and test same.  |            |              |
| 02/04/08 | TD: 5828' Csg. 9 5/8" @ 1801' MW: 9.5 SD: 2/1/08 DOL/DSS:8/3<br>PUDS and drill FE. Rotary spud @ 1430 hrs 2/1/08. Drill from 1858'-5828'. DA.   |            |              |
| 02/05/08 | TD: 7049' Csg. 9 5/8" @ 1801' MW: 9.9 SD: 2/1/08 DOL/DSS:9/4<br>Drill from 5828'-7049'. DA.   |            |              |
| 02/06/08 | TD: 7910' Csg. 9 5/8" @ 1801' MW: 10.8 SD: 2/1/08 DOL/DSS:10/5<br>Drill from 7049'-7910'. TFNB @ report time.   |            |              |
| 02/07/08 | TD: 8297' Csg. 9 5/8" @ 1801' MW: 11.6 SD: 2/1/08 DOL/DSS:11/6<br>TFNB. Drill from 7910'-8297'. DA @ report time.   |            |              |
| 02/08/08 | TD: 8350' Csg. 9 5/8" @ 1801' MW: 11.6 SD: 2/1/08 DOL/DSS:12/7<br>Drill from 8297'-8350' TD. CCH and short trip 10 stds. LDDS and run triple combo. Run 4 1/2" Production Casing @ report time.     |            |              |
| 02/11/08 | TD: 8350' Csg. 9 5/8" @ 1801' MW: 11.6 SD: 2/1/08 DOL/DSS:13/8<br>Run and cement 4 1/2" Production Casing. Land casing and release rig @ 1300 hrs 2/8/07.<br>RDRT and move to Bitter Creek 1122-4C. |            |              |

02/23/08

## PREP TO FRAC

| SUMMARY                         |      |      |     |  |
|---------------------------------|------|------|-----|--|
| POOH W/ TBG & PRESSURE TEST CSG |      |      |     |  |
| OPERATION DETAILS               |      |      |     |  |
| HOURS                           | DUR  | CODE | SUB | DESCRIPTION  |
| 7:30-7:45                       | 0.25 | 48 P |     | H3M POOH   |
| 7:45-15:00                      | 7.75 | 47 P | B   | FINISH POOH W/ 252 JNTS 2-3/8 TBG & 3-7/8 MILL. R/D TBG EQUIP, N/D BOPS, NUJ FRAC VALVES, MIRU B&C QUICK TEST, PRESSURE TEST CSG / FRAC VALVES TO 7500# GOOD TEST. SWI |

02/25/08

## FRAC

| SUMMARY           |      |      |     |   |
|-------------------|------|------|-----|---|
| 5 STAGE FRAC      |      |      |     |   |
| OPERATION DETAILS |      |      |     |   |
| HOURS             | DUR  | CODE | SUB | DESCRIPTION   |
| 7:00-9:00         | 2.00 | 47 P | A   | VERY MUDDY LOC. PROBLEMS GETTING EQUIP ON LOCATION. MIRU CUTTERS WIRE LINE & WEATHERFORD FRAC EQUIP.  |
| 9:00-9:45         | 0.75 | 34 P | H   | H3M [STG #1] PAU RIH W/ 3-3/8 EXPEND GUN 23 GRM, 0.36" HOLE PERF MESAVERDE @ 4698273'-8278' 4 SPF, 90° PH, 20 HOLES, 8240'-8245' 4 SPF, 90° PH, 20 HOLES [40 HOLES]   |
| 9:45-10:30        | 0.75 | 36 P | E   | P/T SURFACE LINES TO 8500#, WHP=175# BRK DN PERFS @ 5698#, INJT PSI=4140#, INJT RT=50.6, ISIP=2744#, FG=.77, PUMP'D 1480.5 BBLs SLK/WTR W/ 48682# 30/50 MESH W/ 5000# RESIN COAT IN TAIL, ISIP=2593#, FG=.75, AR=51, AP=3880#, MR=52.2, MP=7132#, NPI=0#, 40/40 PERFS OPEN.   |
| 10:30-11:30       | 1.00 | 34 P | H   | STG #2] PAU RIH W/ BKR 8K CSP & PERF GUN. SET CSP @ 7832' PERF MESAVERDE USING 3-3/8 EXPEND GUN 23 GRM, 0.36" HOLE, 7999'-7902' 4 SPF, 90° PH, 12 HOLES, 7833'-7838' 3SPF, 120° PH, 8 HOLES, 7804'-7807' 4 SPF, 90° PH, 12 HOLES, 7776'-7778' 3 SPF, 120° PH, 8 HOLES, 7739'-7741' 3 SPF, 120° PH, 8 HOLES [42 HOLES] |
| 11:30-13:00       | 1.50 | 36 P | E   | WHP=, BRK DN PERFS @ 3825#, INJT PSI=4450, INJT RT=51.3, ISIP=2395#, FG=.75, PUMP'D 3998.8 BBLs SLK/WTR W/ 144873# 30/50 MESH W/ 5000# RESIN COAT IN TAIL. ISIP=2375#, FG=.74, AR=51.2, AP=4102#, MR=58, MP=4832#, NPI=0#, 42/42 PERFS OPEN   |
| 13:00-13:45       | 0.75 | 34 P | H   | STG #3] PAU RIH W/ BKR 8K CSP & PERF GUN. SET CSP @ 7063' PERF MESAVERDE USING 3-3/8 EXPEND 23 GRM, 0.36" HOLE GUN, 7017'-7023' 4 SPF, 90° PH, 24 HOLES, 6931'-6905' 4 SPF, 90° PH, 16 HOLES [40 HOLES]   |
| 13:45-14:30       | 0.75 | 36 P | E   | WHP=0#, BRK DN PERFS @ 3868#, INJT PSI=3800#, INJT RT=51.2, ISIP=1974#, FG=.72, PUMP'D 1538.5 BBLs SLK/WTR W/ 53339# 30/50 MESH W/ 5000# RESIN COAT IN TAIL. isip=2412#, fg=.70, ar=51, ap=34423, MR=51.6, MP=3826#, NPI=436#, 40/40 PERFS OPEN.  |
| 14:30-15:15       | 0.75 | 34 P | H   | STG #4] PAU RIH W/ BKR 8K CSP & PERF GUN. SET CSP @ 5535', PERF WASATCH USING 3-3/8 EXPEND 23 GRM 0.36" HOLE GUN. 5502'-5505' 4 SPF, 90° PH, 12 HOLES, 5425'-5430' 4 SPF, 90° PH, 20 HOLES, 5297'-5300' 3 SPF, 120° PH, 8 HOLES [41 HOLES]  |
| 15:15-15:45       | 0.50 | 36 P | E   | WHP=530#, BRK DN PERFS @ 2174#, INNJT PSI=3250#, INJT RT=51.3, ISIP=2174#, FG=.68, PUMP'D 1149.1 BBLs SLK/WTR W/ 38553# 30/50 MESH W/ 5000# RESIN COAT IN TAIL. ISIP=1328#, FG=.68, AR=51.4, AP=2727#, MR=51.8, MP=3331#, NPI=482#, 41/41 PERFS OPEN.   |
| 15:45-16:15       | 0.50 | 34 P | H   | STG #5] PAU RIH W/ BKR 8K CSP & PERF GUN. SET CSP @ 5013', PERF WASATCH USING 3-1/8 HSC, 12 GRM, 0.34" HOLE. 4951'-4993' 3 SPF, 120° PH, 8 HOLES, 4970'-4978' 3 SPF, 120° PH, 24 HOLES, 4982'-4988' 3 SPF, 120° PH, 12 HOLES [42 HOLES]   |
| 16:15-16:45       | 0.50 | 36 P | E   | WHP=800#, BRK DN PERFS @ 2276#, INJT PSI=2525#, INJT RT=51.4, ISIP=982#, FG=.82, PUMP'D 713 BBLs SLK/WTR W/ 20382# 30/50 MESH W/ 5000# RSIN COAT IN TAIL. ISIP=1563#, FG=.75, AR=51.7, AP=2421#, MR=52, MP=3891#, NPI=881#, 42/42 PERFS OPEN.   |
| 16:45-18:00       | 1.25 | 34 P | I   | KILL PLUG] PAU RIH W/ BKR 8K CSP & SET @ 4912'. POOH R/D CUTTERS WIRE LINE & WEATHERFORD FRAC EQUIP. N/D FRAC VALVES, NUJ BOPS, SWFN.   |

02/26/08

FLOWBACK REPORT: CP 1700#, TP 850#, CK 20/64", 50 BWPH, LOAD REC'D 730 BBLs, REMAINING LTR 8117 BBLs

02/27/08

FLOWBACK REPORT: CP 2100#, TP 1300#, CK 20/64", 20 BWPH, LOAD REC'D 315 BBLs, REMAINING LTR 7802 BBLs

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0137  
Expires: November 30, 2000

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

|   |                            |   |                                     |   |                      |  |                       |   |  |  |  |
|---|----------------------------|---|-------------------------------------|---|----------------------|--|-----------------------|---|--|--|--|
| 1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas <input type="checkbox"/> Dry <input type="checkbox"/> Other  |                            |   |                                     |   |                      | 5. Lease Serial No.<br>UTU-71417   |                       |   |  |  |  |
| b. Type of Completion: <input checked="" type="checkbox"/> New <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr.<br>Other _____ |                            |   |                                     |   |                      | 6. If Indian, Allottee or Tribe Name   |                       |   |  |  |  |
| 2. Name of Operator<br>KERR-MCGEE OIL & GAS ONSHORE LP  |                            |   |                                     |   |                      | 7. Unit or CA Agreement Name and No.<br>UTU-80666  |                       |   |  |  |  |
| 3. Address<br>1368 SOUTH 1200 EAST, VERNAL, UTAH 84078  |                            |   |                                     | 3a. Phone No. (include area code)<br>(435) 781-7024 |                      | 8. Lease Name and Well No.<br>BITTER CREEK 1122-4A   |                       |   |  |  |  |
| 4. Location of Well (Report locations clearly and in accordance with Federal requirements)*<br><br>At surface NE/NE LOT 8, 1167'FNL, 860'FEL<br><br>At top prod. interval reported below<br><br>At total depth            |                            |   |                                     |   |                      | 9. API Well No.<br>4304737111  |                       |   |  |  |  |
| 14. Date Spudded<br>12/20/07  |                            |   |                                     |   |                      | 15. Date T.D. Reached<br>02/07/08  |                       | 16. Date Completed<br><input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod.<br>02/28/08 |  | 17. Elevations (DF, RKB, RT, GL)*<br>5616'GL |  |
| 18. Total Depth: MD 8350'<br>TVD  |                            |   | 19. Plug Back T.D.: MD 8299'<br>TVD |   |                      | 20. Depth Bridge Plug Set: MD<br>TVD   |                       |   |  |  |  |
| 21. Type Electric & Other Mechanical Logs Run (Submit copy of each)<br>CBL-COL-GR, SD, DSN, ACTR  |                            |   |                                     |   |                      | 22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy)<br>Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy)<br>Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy) |                       |   |  |  |  |
| 23. Casing and Liner Record (Report all strings set in well)  |                            |   |                                     |   |                      |  |                       |   |  |  |  |
| Hole Size   | Size/Grade                 | Wt. (#/ft.)                                 | Top (MD)                            | Bottom (MD)   | Stage Cementer Depth | No. of Sk. & Type of Cement  | Slurry Vol. (BBL)     | Cement Top*   | Amount Pulled                                |  |  |
| 20"   | 14"                        | 36.7#                                       |                                     | 40'   |                      | 28 SX  |                       |   |  |  |  |
| 12 1/4"   | 9 5/8"                     | 36#   |                                     | 1840'   |                      | 600 SX   |                       |   |  |  |  |
| 7 7/8"  | 4 1/2"                     | 11.6#                                       |                                     | 8350'   |                      | 1388 SX  |                       |   |  |  |  |
| 24. Tubing Record   |                            |   |                                     |   |                      |  |                       |   |  |  |  |
| Size  | Depth Set (MD)             | Packer Depth (MD)                           | Size                                | Depth Set (MD)                                      | Packer Depth (MD)    | Size   | Depth Set (MD)        | Packer Set (MD)   |  |  |  |
| 2 3/8"  | 4755'                      |   |                                     |   |                      |  |                       |   |  |  |  |
| 25. Producing Intervals   |                            |   |                                     |   |                      |  |                       |   |  |  |  |
| Formation   |                            | Top   | Bottom                              | Perforated Interval                                 |                      | Size   | No. Holes             | Perf. Status  |  |  |  |
| A) WASATCH  |                            | 4962'                                       | 5505'                               | 4962'-5505'   |                      | 0.34   | 83                    | OPEN  |  |  |  |
| B) MESAVERDE  |                            | 6901'                                       | 8278'                               | 6901'-8278'   |                      | 0.36   | 122                   | OPEN  |  |  |  |
| C)  |                            |   |                                     |   |                      |  |                       |   |  |  |  |
| D)  |                            |   |                                     |   |                      |  |                       |   |  |  |  |
| 27. Acid, Fracture, Treatment, Cement Squeeze, Etc.   |                            |   |                                     |   |                      |  |                       |   |  |  |  |
| Depth Interval  |                            | Amount and type of Material                 |                                     |   |                      |  |                       |   |  |  |  |
| 4962'-5505'   |                            | PMP 1861 BBLs SLICK H2O & 59,735# 30/50 SD  |                                     |   |                      |  |                       |   |  |  |  |
| 6901'-8278'   |                            | PMP 6987 BBLs SLICK H2O & 244,981# 30/50 SD |                                     |   |                      |  |                       |   |  |  |  |
| 28. Production - Interval A   |                            |   |                                     |   |                      |  |                       |   |  |  |  |
| Date First Produced   | Test Date                  | Hours Tested                                | Test Production                     | Oil BBL   | Gas MCF              | Water BBL  | Oil Gravity Corr. API | Gas Gravity   | Production Method                            |  |  |
| 02/28/08  | 03/06/08                   | 24  | →                                   | 0   | 2,620                | 360  |                       |   | DIV. OF OIL, GAS & MINING<br>FLOWS FROM WELL |  |  |
| Choke Size  | Tbg. Press. Flwg. 1166# SI | Csg. Press. 1388#                           | 24 Hr. Rate                         | Oil BBL   | Gas MCF              | Water BBL  | Oil Gravity Corr. API | Well Status   |  |  |  |
| 20/64   |                            |   | →                                   | 0   | 2620                 | 360  |                       |   | PRODUCING GAS WELL                           |  |  |
| 28a. Production - Interval B  |                            |   |                                     |   |                      |  |                       |   |  |  |  |
| Date First Produced   | Test Date                  | Hours Tested                                | Test Production                     | Oil BBL   | Gas MCF              | Water BBL  | Oil Gravity Corr. API | Gas Gravity   | Production Method                            |  |  |
| 02/28/08  | 03/06/08                   | 24  | →                                   | 0   | 2620                 | 360  |                       |   | FLOWS FROM WELL                              |  |  |
| Choke Size  | Tbg. Press. Flwg. 1166# SI | Csg. Press. 1388#                           | 24 Hr. Rate                         | Oil BBL   | Gas MCF              | Water BBL  | Oil Gravity Corr. API | Well Status   |  |  |  |
| 20/64   |                            |   | →                                   | 0   | 2620                 | 360  |                       |   | PRODUCING GAS WELL                           |  |  |

(See instructions and spaces for additional data on reverse side)

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## 28b. Production - Interval C

| Date First Produced | Test Date            | Hours Tested | Test Production<br>→ | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|----------------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate<br>→     | Oil BBL | Gas MCF | Water BBL | Gas : Oil Ratio       | Well Status |                   |

## 28c. Production - Interval D

| Date First Produced | Test Date            | Hours Tested | Test Production<br>→ | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|----------------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate<br>→     | Oil BBL | Gas MCF | Water BBL | Gas : Oil Ratio       | Well Status |                   |

29. Disposition of Gas (*Sold, used for fuel, vented, etc.*)**SOLD**

## 30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 31. Formation (Log) Markers

| Formation            | Top            | Bottom | Descriptions, Contents, etc. | Name | Top         |
|----------------------|----------------|--------|------------------------------|------|-------------|
|                      |                |        |                              |      | Meas. Depth |
| WASATCH<br>MESAVERDE | 3973'<br>6259' | 6259'  |                              |      |             |

## 32. Additional remarks (include plugging procedure):

## 33. Circle enclosed attachments:

1. Electrical/Mechanical Logs (1 full set req'd.)      2. Geologic Report      3. DST Report      4. Directional Survey  
5. Sundry Notice for plugging and cement verification      5. Core Analysis      7. Other:

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (*please print*) SHEILA UPCHEGOTitle SENIOR LAND ADMIN SPECIALISTSignature Date 03/25/08

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

5. Lease Serial No.

UTU-71417

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

BITTER CREEK 1122-4A

9. API Well No.

4304737111

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

NE/NE LOT 8, SEC, 4, T11S, R22E 1167'FNL, 860'FEL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION                                   | TYPE OF ACTION                                |   |  |   |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off             |
| <input type="checkbox"/> Subsequent Report           | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity             |
| <input type="checkbox"/> Final Abandonment Notice    | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other COMMINGLE |
|  | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       | WASATCH AND   |
|  | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            | MESAVERDE   |

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE OPERATOR REQUESTS AUTHORIZATION TO COMMINGLE THE WASATCH AND MESAVERDE FORMATIONS. THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 02/28/2008.

COPY SENT TO OPERATOR

Date: 5.28.2008

Initials: KS

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APR 15 2008

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature

Date

April 7, 2008

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Accepted by the  
Utah Division of  
Oil, Gas and Mining

Federal Approval Of This  
Action Is Necessary

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully, in any document or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

By:

\* Cause No. 210-04